

CIRCULAR LETTER

To

ALL SHARIA COMMERCIAL BANKS, SHARIA BUSINESS UNITS AND
RUPIAH AND FOREIGN EXCHANGE MONEY MARKET DEALERS IN
INDONESIA

Concerning: The Second Amendment to Bank Indonesia Circular Letter Number
10/16/DPM Dated March 31, 2008 concerning Procedures for the
Issuance of Bank Indonesia Sharia Certificates through Auction

In relation to Bank Indonesia Regulation Number 10/11/PBI/2008 concerning
Bank Indonesia Sharia Certificates (State Gazette of the Republic of Indonesia Year
2008 Number 50, Supplement to State Gazette of the Republic of Indonesia Number
4835) as amended by Bank Indonesia Regulation Number 12/18/PBI/2010 dated
August 30, 2010 (State Gazette of the Republic of Indonesia Year 2010 Number 108)
as well as in the context of the harmonization of regulations on monetary operations,
it is necessary to amend the provisions in Roman number IX, Appendix 1, Appendix
2 and Appendix 3 to Bank Indonesia Circular Letter Number 10/16/DPM dated
March 31, 2008 concerning Procedures for the Issuance of Bank Indonesia Sharia
Certificates through Auction, as follows:

1. The provisions of Roman number IX shall be amended so as to read as
follows:

IX. SANCTIONS

1. In the event of a cancellation of the results of SBIS Auction as referred to in point VIII.A. 2, the relevant Sharia Commercial Bank (BUS) or Sharia Business Unit (UUS) shall be subject to the following sanctions:
 - a. Written Reprimand, with a carbon copy to:
 - 1) Directorate of Sharia Banking (DPbS), in the event that the sanction is imposed on a BUS or UUS having its head office within the operational area of Bank Indonesia Head Office (KPBI); or
 - 2) Bank Supervisory Team at Bank Indonesia regional Office (KBI), in the event that the sanction is imposed on a BUS or UUS having its head office within the operational area of Bank Indonesia regional Office (KBI), and
 - b. Financial penalty of 0.01% (one per ten thousandth) of the nominal value of the cancelled transactions on SBIS, in the minimum amount of Rp10,000,000.00 (ten million Rupiah) and in the maximum amount of Rp100,000,000.00 (one hundred million Rupiah) for every cancellation.

2. Without prejudice to the sanction as referred to in point IX.1, in the event that a Sharia Commercial Bank (BUS) or a Sharia Business Unit (UUS) makes Transactions on SBIS and/or other sharia monetary operations transactions as referred to in Bank Indonesia Regulation concerning sharia monetary operation, which is declared to be cancelled three times during 6 (six) month-tenure, the BUS or UUS shall be subject to temporary suspension of its participation in sharia monetary operations for 5 (five) consecutive business days.
 3. The written reprimand as referred to in point IX.1.a and notification of temporary suspension of its participation in OMS activities as referred to in point IX.2 shall be delivered on 1 (one) business day following the cancellation of transaction.
 4. The financial penalty as referred to in point IX.1.b shall be imposed by debiting the demand deposit account of the BUS or UUS being subject to the sanction on 1 (one) business day following the cancellation of the results of SBIS auction as referred to in point VIII.A.2 through BI-SSSS.

Example of the imposition of the sanction as referred to in point 1 shall be provided in Appendix -2.
2. Appendix 1 shall be amended, so that it shall be as set out in Appendix 1 to this Bank Indonesia Circular Letter.

3. Appendix 2 shall be amended, so that it shall be as set out in Appendix 2 to this Bank Indonesia Circular Letter.
4. Appendix 3 shall be amended, so that it shall be as set out in Appendix 3 to this Bank Indonesia Circular Letter.

The provisions set out in this Bank Indonesia Circular Letter shall be effective on August 30, 2010.

For public cognizance, it is ordered that this Bank Indonesia Circular Letter be promulgated in the State Report of the Republic of Indonesia.

Please be informed accordingly.

BANK INDONESIA,

HENDAR

DIRECTOR OF MONETARY MANAGEMENT